



**Written Testimony of Abraham Scarr, Director
Connecticut Public Interest Research Group (ConnPIRG)**

in support of Raised Bill No. 6566: An Act Concerning Transparency in Economic Assistance Programs

Chairperson Fonfara, Chairperson Widlitz and Members of the Committee, thank you for the opportunity to submit written testimony in support of Raised Bill No. 6566: An Act Concerning Transparency in Economic Assistance Programs.

ConnPIRG believes that budgeting should be open, accountable, and follow long-term planning. Public money should be spent for the most effective pursuit of clear public benefits or to encourage beneficial behaviors undervalued by the market.

For the Past three years ConnPIRG, via our national federation U.S. PIRG, has conducted a national survey of state budget transparency, grading states on state budget transparency websites. Connecticut has made great progress – going from an “F” to a “B” last year. The biggest thing holding Connecticut back from an “A” grade and from being a national leader, is the lack of transparency in tax incentives and economic assistance.

Tax incentives and other economic assistance programs use public resources just as government spending programs do, and deserve the same level of transparency. ConnPIRG strongly supports raised bill 6566 and respectfully recommends a number of revisions that would strengthen the bill’s effectiveness.

- In Section 1 (1) and (2) strengthen language to
 - require measurable performance goals for all economic assistance or tax credits;
 - detail jobs directly created with state subsidy, enumerated as full time equivalents and whether or not they are new jobs created or jobs retained; and
 - specify that jobs moved within Connecticut should not be counted as new jobs.
- In Section 3 (2) include in the study an analysis of where business relocations are going to.
- Including provisions to encourage companies to comply with the reporting requirements of the law, such as publishing a list of companies that fail to provide the information and prohibiting those companies from receiving future assistance or tax credits until they comply.

Again, ConnPIRG strongly supports this legislation and would be happy to discuss our ideas for improvements in further detail.

Abe Scarr
860-983-4473
abe@connpirg.org